

TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE



FISCAL NOTE

HB 376 - SB 426

February 12, 2019

SUMMARY OF BILL: Expands the list of operational expenses for which a public utility may establish a cost recovery mechanism, upon approval from the Tennessee Public Utility Commission (TPUC).

ESTIMATED FISCAL IMPACT:

NOT SIGNIFICANT

Assumptions:

- The proposed legislation is applicable to public utilities as defined by Tenn. Code Ann. § 65-4-101(6), which does not include state or locally owned utilities.
- According to TPUC, the review of additional proposed cost recovery mechanisms can be accomplished utilizing existing staff and within existing resources; therefore, any fiscal impact to state and local government is estimated to be not significant.

IMPACT TO COMMERCE:

Other Fiscal Impact – Public utilities may experience an increase in revenue, the timing and extent of which cannot reasonably be determined. No significant impact to jobs in Tennessee.

Assumptions:

- The proposed language would authorize public utilities to request approval of cost recovery mechanisms for operational expenses associated with replacement of or upgrades to usage measurement devices.
- To the extent a public utility's request for a cost recovery mechanism is approved by TPUC, it will result in an increase in public utility revenue; however the timing and extent of any increase in revenue cannot be determined.
- Any impact to jobs in Tennessee is estimated to be not significant.

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CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink that reads "Krista Lee Carsner". The signature is written in a cursive, flowing style.

Krista Lee Carsner, Executive Director

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